TITLE 22. HEALTH PLANNING AND FACILITY CONSTRUCTION

Chapter 15. Health Professions Education Foundation

NOTICE OF PROPOSED RULEMAKING

The Office of Statewide Health Planning and Development ("Office") proposes to adopt regulations to establish the statewide Associate Degree Nursing (A.D.N.) Scholarship Pilot Program as required by Health and Safety Code section 128401.

PUBLIC HEARING

The Office has not scheduled a public hearing on this proposed action. However, the Office will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days before the close of the written comment period.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Office. The written comment period closes at 5:00 P.M. on October 25, 2004. The Office will consider only comments received at the Office by that time. Submit comments to:

Diane Tomoda, Administrative Officer Health Professions Education Office 818 K Street, Suite 210 Sacramento, CA 95814

AUTHORITY and REFERENCE

Health and Safety Code section 128401 authorizes the Office to adopt the proposed regulations, which would implement, interpret, or make specific section 128401 of the Health and Safety Code.

INFORMATIVE DIGEST / POLICY STATEMENT OVERVIEW

California is experiencing a critical shortage of Registered Nurses (RN). In 1999, the California Strategic Planning Committee estimated that there would be a shortfall of some 25,000 RNs by 2006. Reports, including those mandated through legislation, offer a number of recommendations and policy options to address this shortage. Through both the state's public colleges and universities, and Health and Human Service Agency, a number of initiatives and funding sources have been identified to assist the healthcare industry with recruiting,

training, and retaining qualified nurses, and to reduce the critical labor shortage in health care facilities throughout the state. One such finding is the identification of support services, specifically additional financial assistance, to alleviate nursing students' pressures of combining work with study.

The Health Professions Education Foundation ("Foundation") is a nonprofit public benefit corporation established to assist the Office of Statewide Health Planning and Development by providing scholarships and loan repayment grants to health professionals throughout California who are willing to practice in medically underserved areas. The Foundation administers eight programs.

New legislation requires the Office to adopt regulations to establish the statewide Associate Degree Nursing (A.D.N.) Scholarship Pilot Program to provide scholarships to associate degree nursing students who reside in counties determined to have the most need and who agree to a service obligation in a medically underserved area in California for a period of time. This legislation directs the Foundation to consider in the selection process an applicant's economic need, and their cultural and linguistic skills and abilities, and requires the Foundation to allocate a portion of the Registered Nurse Education Fund for this scholarship program.

THE OFFICE HAS MADE THE FOLLOWING INITIAL DETERMINATIONS:

Mandate on local agencies and school districts: None

Cost or savings to any state agency: None

Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None

Other non-discretionary cost or savings imposed on local agencies: None

Cost or savings in federal funding to the state: None

Significant, statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states: None. The Office has determined that the proposed regulations do not affect small business because these regulations pertain to associate degree nursing students.

Cost impacts on a representative private person or businesses: The Office is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Adoption of these regulations will not:

- (1) Create or eliminate jobs within California;
- Create new businesses or eliminate existing businesses within California;
 or
- (3) Affect the expansion of businesses currently doing business within California.

Significant effect on housing costs: None

CONSIDERATION OF ALTERNATIVES

The Office must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

The Office invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period.

CONTACT PERSONS

Inquiries concerning the proposed administrative action may be directed to:

Diane Tomoda, Administrative Officer Health Professions Education Office 818 K Street, Suite 210 Sacramento, CA 95814 Telephone: (916) 324-6500

The backup contact person for these inquiries is:

Angela Smith, Executive Director Health Professions Education Office 818 K Street, Suite 210 Sacramento, CA 95814 Telephone: (916) 324-6500

Please direct requests for copies of the proposed text (the "express terms") of the regulations, the Initial Statement of Reasons, or other information upon which the rulemaking is based to Diane Tomoda at the above address.

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Office will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this Notice, the proposed text of regulations, the Initial Statement of Reasons, and materials upon which the Office relied in developing the regulations. Copies may be obtained by contacting Diane Tomoda at the address or phone number provided.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the close of the written comment period and considering all timely and relevant comments received, the Office may adopt the proposed regulations substantially as described in this notice. If the Office makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the Office adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Diane Tomoda at the address indicated above. The Office will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Diane Tomoda at the address provided.

AVAILABILITY OF DOCUMENTS IN THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout can be accessed through our websites at http://www.oshpd.ca.gov and http://www.healthprofessions.ca.gov.